



Hundredth Legislature - Second Session - 2008
Introducer's Statement of Intent
LB 779

Chairperson: Rich Pahls
Committee: Banking, Commerce and Insurance
Date of Hearing: January 28, 2008

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

The following constitute the reasons for, and the purposes to be accomplished by, the introduction of **LB 779**.

LB 779 proposes to make amendments to the Nebraska Multiple Employer Welfare Arrangement Act (NMEWAA). A Multiple Employer Welfare Arrangement (MEWA) is a provider of a health benefit plan that is not fully insured that is sponsored by an association of employers. The Act, in part, requires MEWAs to make application for a certificate of registration accompanied by an initial \$1,000 fee and various organizational and trust documents and to make a series of annual reports thereafter to the Department of Insurance, including the filing of a financial statement and a certification of compliance with applicable state laws and regulations.

The provisions of the NMEWAA currently require **all** board Members to attest to the financial statement required to be filed with the Department of Insurance. In addition, each board member must certify that the activities of the MEWA have been conducted in accordance with applicable provisions of Nebraska law and regulations relating to MEWAs.

LB 779 would serve to streamline the reporting requirements for MEWAs by reducing the number of board members who must attest to the financial statement and who must execute the certificate of compliance relating to the conduct of activities by the MEWA in accordance with applicable provisions of Nebraska law and rules and regulations affecting MEWAs. In each case, **LB 779** would only require two members of the board, one of whom must be the chairperson or President of the Board of Trustees, to satisfy the financial statement and the certification of compliance filing requirements.

LB 779 also would conform the provisions of the NMEWAA to regulations recently adopted by the Department of Insurance regarding the timing of certain annual reporting requirements by allowing these documents to be filed with the Department of Insurance within 90 days after the last day of the fiscal year of a MEWA. Current law only provides that these reports and filings must be made "on an annual basis."

Principal Introducer: _____
Senator Pete Pirsch
